# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:2113
ANSWERED ON:11.08.2006
INDUSTRIAL INVESTMENT BANK
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**Will the Minister of FINANCE be pleased to state:**

(a) whether the Industrial Investment Bank of India (IIBI) is being wound up ;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government proposes to sell this Bank to private ownership ;

(d) if so, the details thereof; and

(e) the steps proposed ;o be taken to protect the interest of workers and staff of the Bank ?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a&b) : Industrial Investment Bank of India (IIBI) has accumulated losses which have eroded the capital and resources of the company. Reserve Bank of India has advised that the only option for IIBI appears to be winding up. As a result, it is not possible for IXBI to continue its operations which may necessitate eventual closure of ITRT

(c): No, Sir.

(d): Does not arise.

(e): All employees of ITBI are to be offered an option to be absorbed in nationalized banks with full protection of their pay.In the alternative, the employees would have the option for retirement under Voluntary Retirement Scheme.